

May 3, 2021

**VIA ELECTRONIC FILING**

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th St. SW  
Washington, DC 20554

Re: **Ex Parte Submission**

***Establishing Emergency Connectivity Fund to Close the Homework Gap -- WC Docket No. 21-93  
Modernizing the E-rate Program for Schools and Libraries -- WC Docket No. 13-184***

Dear Ms. Dortch:

On May 3, 2021, representatives of Funds For Learning, LLC, met with Carolyn Roddy, Chief of Staff and Senior Legal Advisor for Wireline Issues for Commissioner Simington. The Funds For Learning ("FFL") representatives in attendance were Cathy Cruzan, President, John Harrington, CEO, and Kyle Tully, General Counsel. We shared the attached presentation, "Analysis of ECF Framework" which outlines shortcomings within the FCC's proposed ECF framework.

We expressed our appreciation for the Commission's work to reduce the Homework Gap during the COVID-19 pandemic. We noted that there were many aspects of the proposed Emergency Connectivity Fund (ECF) that we support, and we provided our recently published analysis<sup>1</sup> and commentary<sup>2</sup>. We then focused our discussion on areas that we believe could benefit from additional review.

We expressed our concern over the "all-or-nothing" processing of funding requests using the discount threshold methodology of prioritizing funding applications. We explained that Congress instructed the FCC to deny funding requests that exceeded a reasonable reimbursement amount, and it is unclear how the funding requests of one applicant could be used to determine the reasonableness of another applicant's request<sup>3</sup>. An

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<sup>1</sup> See <https://www.fundsforlearning.com/news/2021/05/fcc-allows-public-view-of-draft-ecf-rules/>

<sup>2</sup> See <https://www.fundsforlearning.com/news/2021/05/big-urban-schools-and-telcos-benefit-most-under-proposed-ecf/>

<sup>3</sup> "...the Commission shall reimburse 100 percent of the costs... except that any reimbursement of a school or library for the costs associated with any eligible equipment may not exceed an amount that the Commission determines, with respect to the request by the school or library for the reimbursement, is reasonable."; American Rescue Plan Act of 2021 – Emergency Connectivity Fund, Sec. 7402, (b) Support amount.

applicant's funding request should be considered reasonable (or not) based on its own merits, using objective criteria, such as the number of students supported and the level of economic need in a community.

We shared our estimate that 4.9 million students are at-risk of their local school or library being denied access to ECF support because of this priority system. The shortcomings of this approach to prioritizing applications are well known and well documented: a limited group of applicants, without significant incentives for cost-effective decision making, receive a disproportionate amount of the funding. We described our analysis that the funding would be concentrated in a handful of large urban schools. We also pointed out that most comments submitted to the FCC opposed a return to the discount threshold system.

We explained our understanding that the purpose of the ECF was to facilitate remote learning. We expressed concern that the FCC would not allow support for cybersecurity and communications resources. Combined with an arbitrary \$400 limit on laptop devices, we questioned how effectively the ECF would truly address remote learning needs. We also described how the prioritization of expenses prior to April 1, 2021, unnecessarily discriminated against certain recipients. There should be no favoritism for new or prior expenditures.

In closing, we encouraged Commissioner Simington to support a budget system because it encourages a fair and equitable distribution of funding and accommodates flexible solutions for different circumstances. In the absence of any substantive changes to the current draft order, we offered the following two minor recommendations:

- If the FCC is going to use calendar dates to separate funding requests, the priority should be given to new services (i.e., those not yet provided.)
- Rather than a *per device* price limit, the FCC should adopt a *per student* price limit. This will allow applicants the flexibility to spend funding on all aspects of remote learning, such as cybersecurity and alternate wireless technologies.

Respectfully submitted,

*/s/ John D. Harrington*

John D. Harrington

Chief Executive Officer  
Funds For Learning, LLC  
2575 Kelley Pointe Parkway, Suite 200  
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cc: Carolyn Roddy, Chief of Staff and Sr Legal Advisor for Wireline Issues for Commissioner Simington

Attachment: *Analysis of ECF Framework*

# ANALYSIS OF ECF FRAMEWORK

## FCC “ALL OR NOTHING” APPROACH VS CAP SYSTEM

BY FUNDS FOR LEARNING



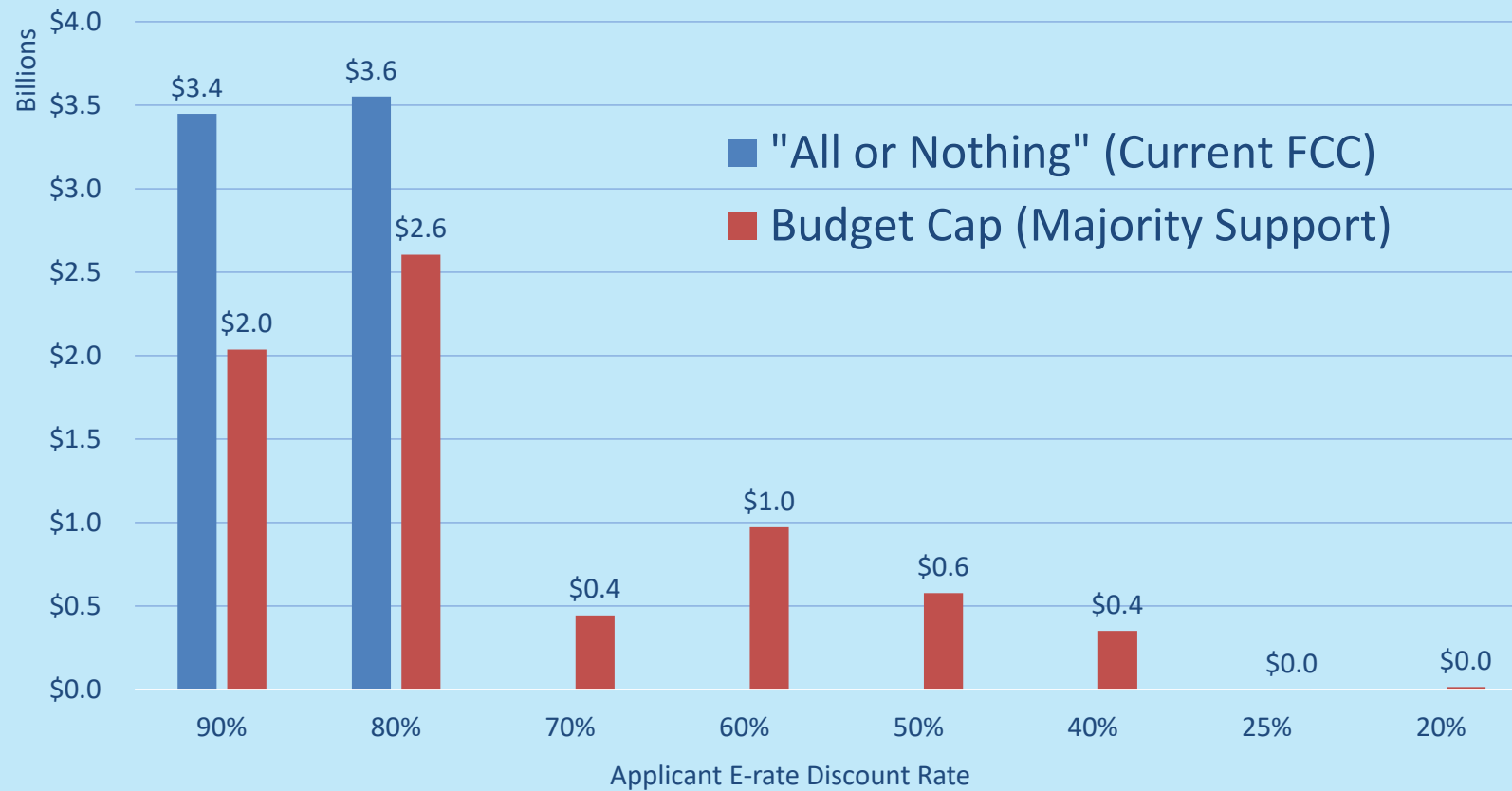
# SIGNIFICANT FLAWS IN PROPOSED “ALL-OR-NOTHING” ECF

- Leaves 4.9 million students at-risk of no support
- Offers no incentive for cost-effective decision-making
- Removes local flexibility to set priorities and technologies
- Denies funding for critical remote learning resources
- Discriminates against CARES recipients (and those with no prior purchases)
- Favors handful of large urban schools and drives funding to telco's

# ADDITIONAL SHORTCOMINGS IN CURRENT FCC PLAN

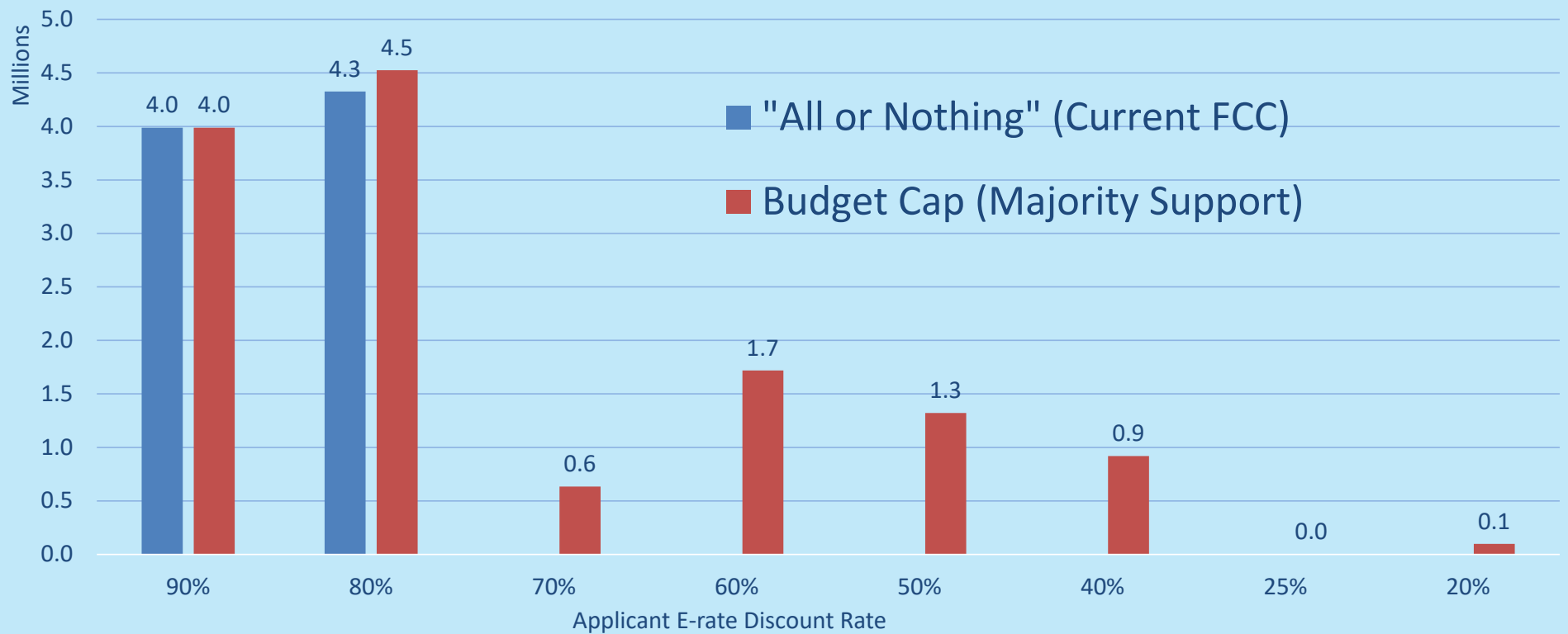
- Subjective limits used to define “reasonable” prices
  - Arbitrary price cap on laptop
  - No technical definitions or standards to follow
- No support for critical services
  - Cybersecurity
  - Communications platforms
  - Network infrastructure necessary for remote learning
- Fails to address need to waive E-rate off-campus cost allocation
- Repeats failures of past E-rate “Priority 2” system

# ESTIMATED DISTRIBUTION OF ECF FUNDS



May 3, 2021

# ESTIMATED COUNT OF STUDENTS SERVED BY ECF



May 3, 2021

## ECF

- Should provide support for every student who has need
- Should offer support for all remote learning requirements
- Should reward and encourage cost-effective purchases
- Should use objective standards
- Should use a student-centered approach to set limits
- Should not deny funding for any applicant



# ANALYSIS OF “ALL OR NOTHING” VS “BUDGET CAP”

Discount Rate of Applicant	Students in Need	Estimated Distribution of ECF		Estimated Count of Students Served by ECF	
		"All or Nothing" System (Current Proposal)	Budget Cap System (Supported by Majority)	"All or Nothing" System (Current Proposal)	Budget Cap System (Supported by Majority)
90%	3,988,434	\$3,448,037,685	\$2,036,449,523	3,988,434	3,988,434
80%	4,524,870	\$3,551,962,315	\$2,604,485,663	4,326,074	4,524,870
70%	633,830		\$443,827,825		633,830
60%	1,718,505		\$971,384,477		1,718,505
50%	1,321,356		\$577,644,170		1,321,356
40%	919,308		\$350,854,357		919,308
25%	2,840		\$859,570		2,840
20%	98,272		\$14,494,414		98,272
<b>TOTAL</b>	<b>13,207,415</b>	<b>\$7,000,000,000</b>	<b>\$7,000,000,000</b>	<b>8,314,509</b>	<b>13,207,415</b>